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FISCAL IMPACT REPORT

ORIGINAL DATE 01/23/07

SPONSOR Salazar LAST UPDATED _____ HB 131

SHORT TITLE Senior Citizens Programs SB _____

ANALYST Geisler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$6,880.9	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Aging and Long-Term Services Department (ALTSD)

SUMMARY

Synopsis of Bill

House Bill 131 appropriates \$6,880,926 from the general fund to ALTSD to maintain and/or enhance services to senior citizens statewide for the following purposes:

- 1) \$5,318,651 to four area agencies on aging for senior services, including adult day care, case management, congregate meals, home delivered meals, in-home services, transportation and senior center services;
- 2) \$296,826 for volunteer programs including foster grandparents, senior companions and retired senior volunteers;
- 3) \$286,036 for the senior employment program to create job opportunities for seniors;
- 4) \$513,200 for information, assistance, education and respite services for persons with Alzheimer's Disease, other chronic illnesses and/or functional impairments and their caregivers;
- 5) \$174,310 for senior health promotion activities, including senior Olympics;

- 6) \$126,833 for statewide legal assistance for seniors; and,
- 7) \$165,070 for naturally occurring retirement communities.

FISCAL IMPLICATIONS

The \$6.8 million appropriation contained in this bill would be in addition to \$32.9 million in base FY08 funding for aging network programs. In addition, both the executive and legislative finance committee (LFC) are recommending expansion requests for aging network programs, with the executive recommending \$2.57 million and the LFC recommending \$1.8 million.

AGLSTD notes that aging network providers, area agency's on aging and ALTSD went through an extensive process of review and refining the request. Of the \$6.8 million in the legislation, \$3.5 million is for maintenance of effort and the \$3.3 million balance is for enhanced new services.

SIGNIFICANT ISSUES

ALTSD notes that statewide, providers of aging network services have been facing an increased demand for services brought about by a rapidly growing aging population, fueled by the aging of New Mexico's population, as well as an influx of retirees to our state. As these seniors "age in place", many develop chronic health conditions and functional limitations that further increase their need for supportive services.

Aging network services are primarily targeted to persons age 60 and older, with an emphasis on those with the greatest economic and social needs. Many programs are located in rural areas and on tribal lands, where the aging network provider is the only service provider available to the community's seniors. These programs have been impacted by the increased cost of gasoline, as many of the services- transportation, home-delivered meals and in-home services, require the extensive use of vehicles, particularly vans. The appropriation will be used to support increased demands for services and increased operating costs for providing these services which enable seniors to remain in their own homes and communities, statewide.

PERFORMANCE IMPLICATIONS

Aging Network providers include senior centers, congregate meal sites, adult day care programs, volunteer programs, employment program host agencies, Senior Olympics, the NM Alzheimer's Association and others. Aging Network contract providers help families remain together, at home, in their own communities and create a safety net for the vast majority of New Mexico's elders, those who don't qualify for Medicaid but whose resources are limited, those whose families are stretched to capacity caring for loved ones at home. Employment and volunteer opportunities enable older adults to re-main active, vital members of their communities. Financial subsidies offered by the employment programs and by some of the volunteer programs help seniors maintain their economic independence. The Aging Network is the only resource for many New Mexicans. Without additional funding, these providers will be forced to develop waiting lists, as they will be unable to meet the increasing demand for services.